

Representative Peter Fischer, Chair Behavioral Health Subdivision MN House of Representatives

March 1, 2022

Chair Fischer and Members of the Committee

On behalf of Greater Minnesota Family Services I am writing to convey our support for and urge the Committee to pass House File 3215 – emergency funding for mental health workforce relief using federal relief funding support.

Greater Minnesota Family Services (GMFS) in Willmar, MN serves approximately two thousand children in central and southwest Minnesota. We serve children in their homes, in 50 school sites, and in 11 early childhood day treatment facilities in regional hubs in greater Minnesota. We are one of the largest providers in Minnesota of these services.

In calendar years 2021 and 2022, our state's community mental and chemical health programs struggle to provide services under the ongoing pandemic and the extreme workforce crisis. These crises compound pre-pandemic sustainability issues: workforce shortage, reimbursement rates much lower than services' costs and growing reporting and regulatory administrative requirements. While we are suffering high losses in operating revenue, our agencies and programs still have to maintain overhead costs – staff salaries and benefits, facilities, compliance/reporting standards and service operations. We are now forced to close programs, services and locations/access points. The full impact of these forces is resulting in our mental health agencies not being able to keep programs open or keep up with our clients' growing needs for care –

In our day treatment programs, income is down almost 30 percent due to covid-related absences. This results in hundreds of thousands of dollars in lost revenue. One of our programs is closed, two are running as skills groups (which reimburse at half of day treatment) due to a lack of therapists, and two are operating with a therapist "borrowed" from another program to provide onsite supervision (in one case, over an hour away).

We fear some of our community mental/ chemical health programs in greater Minnesota are on the brink of closure, where we are sometimes the only provider. We have extreme loss of staff in sparsely populated areas and inability to keep up with costs of providing care. There is NO back up for many counties if our agencies close. Hospitals and emergency departments will be the only source for care and must absorb the demand.

Because the community mental health programs across the state are the safety net and cannot (and do not) turn people away based on their ability to pay, we are absorbing all these costs, compounding our uncompensated care losses. Without immediate relief, we cannot keep sustaining these program losses and maintain access to care.

Please support investment of this one-time ARPA Immediate relief funding to sustain access to current community mental and chemical health services. This support will allow us to advance intermediate and longer-term strategies, including:

- Streamlined, and reduced, reporting and regulatory burdens allowing providers to focus on care delivery NOT reporting requirements
- Rate reform on MA rates for mental and chemical health programs We support the DHS study the legislature passed in 2021. We strongly encourage DHS begin with community mental health in the first analysis.

GMFS urgently asks the Committee to increase resource investments into our community-based mental and chemical health care infrastructure by passing H.F. 3215 to for this emergency bridge funding to sustain access to our current services and community infrastructure. If we continue to let our community-based care infrastructure crumble, there will be nowhere for clients to be discharged back to or preventive care, treating illness before it requires inpatient hospital care.

Thank you for considering our request..

Sincerely

Thomas Belcher CFO